

HOUSE BILL 1132

By Carter

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 29; Title 7, Chapter 82, Part 7 and Title 68, Chapter 221, relative to water and wastewater treatment authorities.

WHEREAS, the General Assembly declares that the provision of water and wastewater services is a matter of public interest due to the substantial public health, environmental protection, and economic development concerns addressed by such services; and

WHEREAS, pursuant to title 68, chapter 221, part 6, the General Assembly enabled the creation of public and governmental bodies with specified powers subject to the requirements of the enabling legislation; and

WHEREAS, pursuant to title 68, chapter 221, parts 10 and 12, water and wastewater authorities may receive substantial state and federal funding in the form of loans; and

WHEREAS, the General Assembly has a strong interest in ensuring that the legislative intent that led to the authorization of such public and governmental bodies is realized; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 68-221-619, is amended by deleting the section and substituting instead the following:

68-221-619.

(a)

(1) Any authority created pursuant to this part 6 that has one (1) or more loans from the revolving loan funds established by part 10 and part 12 of this chapter with a principal balance that, in the aggregate with the principal balance or balances for any additional loan application or applications from the revolving

loan funds total more than fifteen million five hundred thousand dollars (\$15,500,000) on or after the effective date of this act, shall be subject to review as provided in this section by the appropriate subcommittees established pursuant to § 4-29-103.

(2)

(A) The subcommittees shall meet as a joint evaluation committee as provided in § 4-29-103 and shall hold at least one (1) public hearing and receive testimony from the comptroller of the treasury or the comptroller's designee pursuant to the comptroller's review of the status report in subsection (f), the public, the executive director of the water and wastewater treatment authority, and the chair of the authority's board of commissioners. The joint evaluation committee shall initially report its conclusions and any recommended actions to the general assembly no later than January 31, 2018, for authorities with loans exceeding the amount specified in subdivision (a)(1) on the effective date of this act, and each January 31 occurring every four (4) years thereafter until the authority no longer has an aggregate of principal balance in excess of fifteen million five hundred thousand dollars (\$15,500,000).

(B) For authorities exceeding the amount specified in subdivision (a)(1) after the effective date of this act, the evaluation committee shall meet no later than a year subsequent to the date that the authority exceeds the amount and initially report the evaluation committee's conclusions and any recommended actions to the general assembly no later than the January 31 immediately following the hearing and each January 31 occurring every four (4) years thereafter until the authority no longer has an aggregate of principal balance in excess of fifteen million five hundred thousand dollars (\$15,500,000).

(b) Notice of the time and place of the public hearing shall be published ten (10) days prior to the hearing:

(1) On the website of the water and wastewater treatment authority and the websites of the creating and participating government entities, if such entities have a website; and

(2) In at least one (1) newspaper of general circulation in a major metropolitan area located within, or in close proximity to, the area served by the authority. As authorized by § 4-29-104, funding may be expended to purchase publication of such notices within newspapers published primarily for distribution within the African-American communities in Nashville, Memphis, rural west Tennessee, Knoxville, and Chattanooga, when applicable, based on the area served by the authority.

(c) The joint evaluation committee shall have as its objectives:

(1) The review of present programs and strategies and the organizational structure of the authority to determine the quality, efficiency, and success of such programs and strategies and organizational structure in the implementation of legislative mandates, including, but not limited to, the consideration of any information received from customers of the authority and citizens of the creating and participating entities relative to the present programs and strategies of the authority;

(2) Determination of any need for legislative action to further successful implementation of legislative mandates or to address concerns brought to the attention of the joint evaluation committee; and

(3) Any other matters related to the authority determined to be in the public's interest by the joint evaluation committee.

(d)

(1) The authority, the creating and participating government entities, and any department or agency of state government shall provide the joint evaluation committee with any information or assistance it requires to carry out its responsibilities pursuant to this section.

(2) At the request of the joint evaluation committee, the comptroller of the treasury shall perform limited program review audits to aid the joint evaluation committee in its review.

(e) Nothing in this section shall prohibit a joint evaluation committee or any other legislative committee from reviewing or making recommendations concerning any authority.

(f) For authorities existing on January 1, 2017, and to which this section applies, the county mayor of the creating governmental entity shall submit a status report on measures currently underway to resolve the financial, technical, managerial, and organizational challenges faced by the authority to the joint evaluation committee no later than July 1, 2017.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.